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NEWSPAPER

Advertising Age

December 9, 1991

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Doug Goodman

Roger Ailes has worked on presidential campaigns since Richard Nixon's 1968 effort.

Ailes out of '92 campaign

Negative ad guru says 'I will help the president if he needs me'

By Steven W. Colford

WASHINGTON—Roger Ailes, the "Darth Vader" of Republican political advertising, will not be a member of the president's 1992 campaign team.

Mr. Ailes, who guided George Bush's 1988 image transformation from "wimp" to decisive leader, Friday ended speculation about his political future by removing himself from any official involvement in the upcoming presidential campaign.

Mr. Ailes said he "will always help [the president] if he needs me."

A spokesman at Ailes Communications said that help would be limited to advice "if the president called and asked if he should do this or that."

The official statement came barely 24 hours after the office said Mr. Ailes, the Bush campaign's senior media adviser in 1988, was "in discussion with the campaign's management about a role" in the 1992 effort, but would "not undertake the same role as in 1988."

Questions about Mr. Ailes' place in the 1992 campaign surfaced weeks ago, but were fanned Dec. 5 when his name wasn't on the Bush re-election team list announced by the White House.

■ Tsongas is the first presidential candidate to air TV spots—Page 4.

Mr. Ailes' sudden lack of any role in the 1992 race leaves unanswered the question of how the 1992 Bush campaign will handle its advertising.

"The campaign might want to take more of a Tuesday Team approach as was used in 1984, when, under Michael Deaver, the Reagan people had a group of advertising execs from Madison Avenue to develop ads," said a well-in-

(Continued on Page 49)

How FCB's muscle doomed breakaway

By Scott Hume

CHICAGO—"Desert Storm Begins."

That was the message left on Mark Weinstein's word processor screen the morning of Nov. 27 after he tendered his resignation as senior VP-managing director of Foote, Cone & Belding Communications' direct marketing unit and walked out of the agency.

The office's president, Jim Tennant, tendered an identical letter of resignation, and 18 others, 20% of the total staff, turned in their letters a half-hour later, just as they planned.

Ironically, the breakaway from FCB/Direct didn't even last as long as the Persian Gulf War, and wasn't nearly as successful.

Six days after Tennant Weinstein Organization opened, it closed, a victim of the legal muscle FCB amassed to squelch the creation of a direct-marketing rival. All but Mr. Weinstein returned to their jobs at FCB/Direct.

The maneuver failed so quickly and so completely that it could serve as a model of how *not* to orchestrate an agency breakaway, if the scenario of events contained in an FCB lawsuit is correct.

How the breakaway principals executed their plan, the myriad mistakes they made, all outlined in the lawsuit filed in Cook County Circuit

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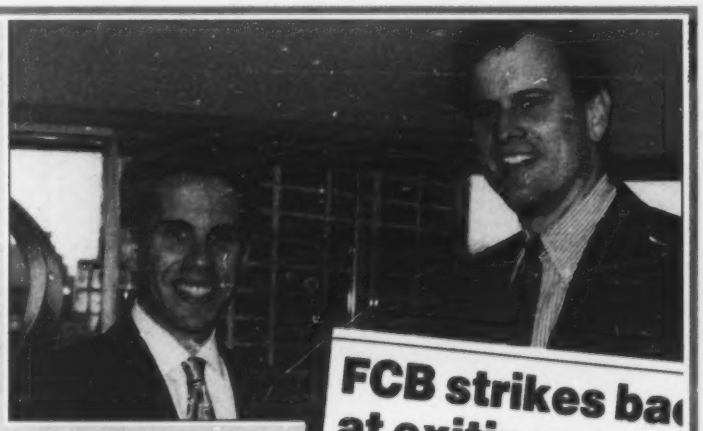
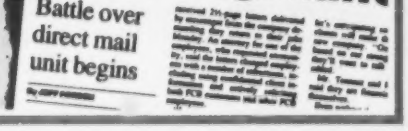


Despite the smiles, Jim Tennant (l.) and Mitch Engel face the difficult task of putting FCB's direct marketing unit back together after the breakaway was crushed.



FCB strikes bac at exiting staffe

Battle over direct mail unit begins

LAST MINUTE NEWS

Coen: 1991 ad spending down from '90

NEW YORK—McCann-Erickson Worldwide Senior VP-Director of Forecasting Robert Coen is expected to report U.S. ad spending dropped in 1991, sources familiar with the report say. That would mark the first year-to-year spending decrease since 1961. Mr. Coen, who will address the PaineWebber Media Conference this week, expects ad spending to pick up in the second half of 1992. In his most recent forecast, he predicted a 7% to 9% increase in 1992 ad spending.

RJR campaign tells kids not to smoke

WINSTON-SALEM, N.C.—R.J. Reynolds Tobacco will announce an anti-smoking campaign for kids this week, coinciding with the publication of a study in the *Journal of the American Medical Association* that finds the company's Camel cigarette ads encourage children to smoke. The outdoor board campaign, created by Lockhart & Pettus, New York, is already running in six markets and will be extended to 30. Three

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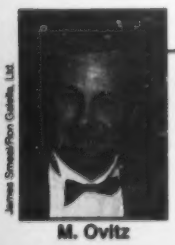

James Smeal/Ron Galella, Ltd.

M. Ovitz

Close-up: Ad Age sits down with Michael Ovitz. **Page 20.**

Cable TV: Battling to maintain its hard-fought gains. **Page 27.**

'Daily News' hopes dim

Maxwell upbeat, but rivals set to move in

By Scott Donaton

NEW YORK—As the publishing empire of Robert Maxwell crumbles, rivals of the *Daily News* here are getting ready to pounce.

The *News* filed for Chapter 11 bankruptcy protection last week. However, Kevin Maxwell, son of the late Robert Maxwell, insists the newspaper isn't for sale and that every attempt will be made to save the tabloid.

But industry watchers believe the title will fold or be sold.

Last week both the *New York Post* and *New York Newsday* said they are drawing up expansion plans based on the possibility of one fewer daily in New York.

"The *Daily News* is continuing along the sad path to its demise," said Peter Apert, a media analyst with Cyrus J. Lawrence Inc. "I think the long-term prognosis is not good."

An investment banker who asked not to be identified was more blunt: "I think the whole thing is going to explode. I would bet that the *News* shuts down right after the Christmas season. It's a cash drain."

Mr. Maxwell, chairman and publisher of the *News*, appeared at a news conference Friday to announce a "partnership" between the paper's board and its unions to draw up a reorganization plan.

"The *Daily News* is continuing along the sad path to its demise. I think the long-term prognosis is not good."

He insisted the paper has "sufficient cash" to continue publishing for the short term and isn't for sale. But, he said, "the reorganization plan will almost certainly call for fresh equity."

While he didn't say where an equity infusion might come from, he said "all avenues will be explored," including the sale of a minority stake to employees or outside investors.

The same unions provided concessions to the *Post* last year when it was on the verge of financial collapse. In exchange, the unions received partial ownership of the paper.

But analysts and competitors are skeptical about whether the *News* has the funds to keep publishing and say the paper will need to seek union concessions and other cost reductions to stay afloat.

The tabloid's Chapter 11 filing listed total assets as of Oct. 27 of $37.4 million and total liabilities of $53.3 million. The petition indicated projected cash receipts of $21.6 million in the next 30 days

(Continued on Page 49)

NEWS SUMMARY

■ **Roger Ailes,** leading media consultant to George Bush in 1988, confirmed he will not be part of the President's re-election campaign team for 1992. 1

■ **New York's 'Daily News'** filed for bankruptcy protection and Publisher Kevin Maxwell vowed full efforts to save the paper, but observers expect it to be sold or shut down. 1

■ **FCB/Direct** has rehired all but one of the 20 employees who broke away in an unsuccessful effort to start their own direct marketing agency. 1

■ **Olympic Games** organizers plan to seek hefty increases in sponsorship costs when they meet soon to set marketing plans for the 1994 and 1996 Games. 3

■ **Courtroom Television Network** hopes its coverage of the William Kennedy Smith trial via basic cable will boost viewership and ad revenues. 3

■ **Mazda** executives begin hearing agency presentations this week for the new Amati auto account. 3

■ **Young & Rubicam** Chairman Alex Kroll has set up two internal task forces to study ways the agency can become "easier, faster and simpler to work with." 3

■ **Super Bowl XXVI** TV advertising on CBS, set at more than $800,000 for a 30-second spot, has scared off some companies that usually advertise on the telecast. 3

■ **Paul Tsongas** has become the first 1992 presidential candidate to air TV spots, aiming at the Feb. 18 New Hampshire primary with a three-state buy. 4

■ **David Duke,** running against George Bush for the Republican presidential nomination, said 30-minute commercials will be a key element in his campaign. 4

■ **National Advertising Review Board** was urged to become a watchdog over political advertising by Young & Rubicam Chairman Alex Kroll. 4

■ **Arby's** has set a new marketing strategy around the theme "Arby's is different. Different is good." 12

■ **Lintas:USA** is asking some of its major clients to increase their ad investment in radio, terming it an "underutilized and undervalued" medium. 12

■ **'Martha Stewart Living'** will double its rate base next year when Time Warner plans new related TV properties and other spinoff projects. 16

■ **Market researchers** are sharply divided over whether certification of practitioners through education is the best way to improve the craft's image. 35

■ **Bruce Beach,** the former head of Ogilvy & Mather's Chicago office who is suing Ogilvy Group over compensation, was named ceo of Campbell-Mithun-Esty, Chicago. 36

■ **Christmas shopping** by the well-to-do is unaffected by the economic downturn, a three-person survey shows. 42

■ **Yuletide parties** are being supplanted by contributions to charity and volunteer work at many ad agencies. 50

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New suit hits Riney

Former employee alleges fraud in dismissal

By Alice Z. Cuneo

SAN FRANCISCO—A former top Hal Riney & Partners executive has sued the agency for fraudulently inducing him to quit his job and give up his right to share in the proceeds of a sale of the company.

Peter Murphy, former Riney executive creative director, said in his complaint he was tricked into signing an agreement giving him a 3% share of the proceeds from the purportedly "imminent" sale of the agency if he agreed to leave.

The severance agreement limited Mr. Murphy's eligibility to share in sale proceeds for two years from his November 1989 resignation, or through last month.

The suit, which names the agency and Exec VP-Chief Financial Officer Lyn Muegge as defendants, was filed in Superior Court here last May. *Advertising Age* recently learned of its existence.

Attorneys for both parties declined to comment. Efforts to reach Mr. Murphy, Ms. Muegge and Hal Riney, agency chairman-ceo, were unsuccessful.

Mr. Murphy, now an exec VP-copywriter at Backer Spielvogel Bates, New York, said in the suit that Ms. Muegge falsely indicated to him "repeatedly in words or substance that a sale of the agency to an English company was imminent" when he agreed to resign.

In its response filed with the court by Rosenblum, Parish & Bacigalupi, San Francisco, Riney's law firm, Riney denied telling Mr. Murphy the agency was about to be sold.

"There was no 'imminent' sale to anyone," the agency response said.

Riney acknowledged in its court filings a possible sale of the agency to Gold Greenlees Trott, London, had been discussed. However, it isn't clear how close the parties ever were to an agreement.

"There was no deal with Hal Riney that nearly got done. I don't want it said that GGT [Gold Greenlees Trott] nearly bought Hal Riney."

Matthew Allen, GGT group finance director, told *Ad Age* last week the agency had met with Riney officials, "but there was no deal with Hal Riney that nearly got done. I don't want it said that GGT nearly bought Hal Riney."

Mr. Murphy alleged Ms. Muegge, in an effort "to induce" him to leave the company, falsely told him he might not receive his share of any sale proceeds unless he resigned.

The complaint also alleged Ms. Muegge falsely said attorneys had been hired to draft sale documents and a closing date was set. Mr. Murphy contended he was led to believe the agency even had rented a hall for the closing celebration.

He was later told the proposed sale had "fallen through," the complaint said.

Mr. Murphy's 3% share would have been $1.2 million, according to the complaint, giving the purported sale a total value of $40 million.

Mr. Murphy was a copywriter with Ogilvy & Mather's San Francisco office, headed by Mr. Riney. That office became Mr. Riney's shop through a buyout in January 1985; Mr. Murphy later became its first executive creative director.

The complaint said Mr. Murphy earned 2% in phantom stock in the agency, increased to 3% in 1989, by helping win the Stroh Brewery Co. and Saturn Corp. accounts.

The agency didn't deny the existence of the severance agreement but countered that Mr. Murphy overstated his contributions to the agency and that he "failed to discharge his duties" as creative director throughout his tenure.

Mr. Murphy is seeking compensatory damages of $1.2 million plus an unspecified amount in punitive damages. He has requested a jury trial.

Riney is also a defendant in a sexual harassment suit brought by former agency secretary Debby Ann LeBeau earlier this year. The agency has denied Ms. Le Beau's charges and has filed a countersuit (AA, Nov. 11). □

Threat of ad tax resurfaces as Fla. seeks new revenue

By Steven W. Colford

Florida may be back on the tax attack.

Gov. Lawton Chiles is threatening to seek a new ad tax, an issue that helped spur the downfall of his predecessor, Bob Martinez.

The governor is giving serious consideration to trying to tax advertising and other services, or to taxing adjusted corporate revenues.

It's unclear whether national ads would be affected, as they were by the short-lived 1987 tax. That extension of the state sales tax was repealed after just six months, due to a firestorm of controversy that included threats by national marketers to pull conventions from Florida.

If either ads or corporate revenues are taxed, the losers will be advertising and the media, expecially TV and radio.

Advertising and media lobbyists plan to meet this week with legislators and representatives of the governor.

Gov. Chiles, a Democrat, is expected to unveil his tax preference before the Legislature reconvenes for its 1992 session Jan. 14, said Kathy Putnam, deputy press secretary.

A special one-week session beginning Dec. 10 in Tallahassee is expected to deal with budget and spending reform to clear the way for the governor's new revenue proposals, Ms. Putnam said.

Several tax options appear alive, government and business representatives say. One of the most likely is repealing all current exemptions from the state's 6% sales tax, including the exemption held by the ad industry for creative and media expenditures. Another possibility is a 1% to 2½% tax on adjusted corporate revenues.

"We tried this for six months in 1987 and it didn't work. The small Florida advertisers paid the tax back then, while the national advertisers didn't; they just discounted rates 5%. We lost $70 million."

"We tried this for six months in 1987 and it didn't work," said Pat Roberts, exec VP of the Florida Association of Broadcasters. "The small Florida advertisers paid the tax back then, while the national advertisers didn't; they just discounted rates 5%. We lost $70 million."

Ms. Putnam said even if the governor proposes extending the sales tax to advertising and other services, the affected services could seek a new exemption.

If there's a tax on revenue, ad time and space purchases as well as creative expenses by ad agencies and clients apparently would be exempt, said Dennis Brown, executive director of the ad industry's State Advertising Coalition.

But such a tax would pose a different set of problems for media, he said.

Mr. Roberts and others say Gov. Chiles is more likely to propose a revenue tax, which would hit the media because marketers' ad expenditures are the media's "revenue." Businesses would be asked to pay the tax regardless of whether they are profitable.

A revenue tax would especially harm Florida radio and TV stations, Mr. Roberts said, since broadcasters across the state are as much as 20% below their revenues from a year ago. As many as a third of all Florida radio and TV stations have laid off personnel.

If the tax hits the media harder than advertisers, it could create a schism between the two groups and mean less unified lobbying against the tax than there was in 1987.

Mr. Roberts also said Democratic Senate President Gwen Margolis and other legislators adamantly oppose taxing advertising as a service. □

FORUM

My meeting with Ovitz

CAA boss says he's no threat to agencies

By Marcy Magiera

He uses the term "macrovision" frequently, puts his hand over his mouth when he talks and says he is not out to take over the advertising agency business.

Meeting Hollywood power broker Michael Ovitz for the first time is the kind of experience one doesn't forget quickly.

At first, "macrovision" struck me as a red herring, a meaningless term thrown out there by Mr. Ovitz to avoid saying anything concrete about exactly *what* it is that Creative Artists Agency, his powerful talent agency, is doing for Coca-Cola.

Soft drink giant Coke in September named CAA its new "worldwide marketing consultant," surprising the marketing world and throwing a scare into the advertising agency business. Was Mr. Ovitz muscling in on new territory?

But the more he repeated "macrovision" over the course of our half-hour meeting, I started to buy the premise that vision is exactly what Coke wants from CAA. Not new-product ideas, or CAA client Kevin Costner as its secret weapon against Pepsi, but some high concept of how Coke should position itself globally over the next several years.

Mr. Ovitz himself was not what I expected. I thought I'd been summoned to meet a very quick-witted, fast-talking, aggressive New York type. Instead, what I found when I was ushered from his private conference room stacked with African antiquities still in boxes into Mr. Ovitz's unmarked but locked office overlooking the Wilson's House of Suede & Leather on Santa Monica Boulevard was a soft-spoken, reserved man.

He disarmed me when he adjusted the window blinds to cut the glare from the late afternoon sun, which streamed into where I perched on his sitting room sofa. His handshake, too, threw me off. It wasn't a strong grip, but the fingertip touch some male executives reserve for women.

He entered the room from what I judged to be his inner sanctum, the working space hidden around the corner from the sitting room, and took a chair on the other side of a coffee table topped by books about African antiquities and CAA-building designer I.M. Pei, a bowl of gardenias and another of Hershey's kisses.

It became apparent fairly quickly why Mr. Ovitz agreed to meet with me. It seemed his patience was wearing thin with speculation about what CAA's doing for Coke.

He's stubborn in his belief that until there's a definitive plan, CAA's work for Coke shouldn't be of interest to *Ad Age* or the advertising industry.

In a surprising twist of naivete for so powerful a businessman, I came away with the impression that Mr. Ovitz really didn't understand how CAA's dealings with Coke might be perceived as a threat to ad agencies.

Maybe he's just discounted the ad business for so long that he has no clue about the pressure the changing nature of the business is putting on ad agencies.

Or maybe it's all a smokescreen. Even for a trained observer and skeptic, it's hard to get a read on Michael Ovitz, at least in half an hour.

He seemed to think that ad agencies thrive only by stealing each other's clients and that the paranoia this creates makes it impossible for agencies to see the addition of CAA to a marketing team as a plus.

Talent agencies are different, he seemed to say, because though they also thrive on wooing clients from competitors, the core philosophy of the business is to build long-lasting relationships.

I got the feeling Mr. Ovitz likes to build relationships with potential partners before any business is transacted. After all, he did have personal relationships with top Coke executives for 10 years before CAA officially became a marketing consultant to the company October 1.

And despite his assertions that he'd be willing to talk about Coke when and if the marketer executes CAA's ideas, I can't exactly envision sitting down with Mr. Ovitz for a tell-all, heart-to-heart about Coke's marketing strategy.

He was obviously proud of the team he's assembled to work on Coke, an eclectic mix of 14 CAA staffers chosen to represent a broad range of ages, lifestyles and jobs within the agency.

Smeal/Galella Ltd.

Michael Ovitz

He also seems proud of the fact that of the already legendary 160 ideas CAA initially presented to Coke, none was celebrity-driven.

In the last two months, that apparently has changed, with CAA recently recommending celebrities Coke might use to develop CAA's "macrovision." Contrary to popular belief, I got the impression that none of the celebrities being considered for this event-driven, macro-marketing plan, likely to begin next year and take at least one year to play out, are CAA clients.

Mr. Ovitz was paternal about his employees, and I had to believe him when he said if I walked around CAA and talked to the people who worked there I'd really like them.

As I left the building I noted the comfortable way high-powered agents and their assistants would lean over balustrades to converse from floor-to-floor, undaunted by the cavernous lobby between them. A lobby, which, by the way, was being set up for an evening tasting of wines from CAA client Francis Ford Coppola's winery.

If people do interact like this at CAA, maybe Mr. Ovitz was being straight about the company's role with Coke and that word I'm still wary of, "macrovision."

Or maybe "macrovision" is just a hypnotic term to bring journalists who persist in writing about him—even when he says there's nothing to report—over to his way of thinking.

Know what I think? I don't know. □

Ms. Magiera, a reporter in Ad Age's *Los Angeles bureau, covers Hollywood and movie marketing.*

LETTERS

Defending RJR's move

The editorial about RJR and its decision to go with Mezzina/Brown (AA, Oct. 21) is biased and pointless and undermines what Mezzina/Brown has accomplished.

Because Mezzina/Brown is a small "start-up" shop does not mean they will remain so. Didn't Young & Rubicam and Apple Computer and countless other giants start out as two-man shops? So what if Y&R had as many as 100 people working the RJR account. For all we know, 98 of them could have been monkeys with car keys and Mezzina and Brown said, "We're outta here!"

I also would like to believe that RJR is smart enough to base its decision to move on Messrs. Mezzina and Brown's proven track record and not to "save a few bucks," as *Ad Age* suggested.

Mark R. Gregorek
President, Blue Moon Licensing
Mahwah, N.J.

Volvo replies

Your editorial (AA, Nov. 25) dealt with what you have alleged to be an "unfair" Volvo advertisement concerning safety. As with your earlier editorials on Volvo ads, it was not preceded by a phone call to learn Volvo's side of the story. Judging by its content, I would suspect you had spoken to someone from Chrysler.

I think your readers are entitled to some facts from which they may develop their own opinions.

- The ad clearly states the source of the data and the years the study covers.
- The Insurance Institute for Highway Safety, upon whose study the ad is based, is an independent, highly respected, source. . . . The study, released in April 1991 . . . is the latest comprehensive study of passenger vehicle fatalities available.
- Chrysler claims that the Chrysler minivans covered by the study were not equipped with "minivan" airbags as their present minivans are. The Volvo 240 wagons sold during the period of the study were not equipped with airbags either. Today they are standard equipment on all Volvos sold in North America. . . . Therefore the addition of the airbag should not alter the relative safety of the vehicle.
- Does one death per 10,000 [accidents] offer a serious safety threat? It does if it is someone you love. The Volvo advertisement never stated minivans were unsafe. It stated what the study data concluded, that the death rate for minivans as a group was twice as high as the safest car in the study—a Volvo 240 wagon. These are facts we believe people are entitled to know.

At Volvo, we don't want to scare people into buying our cars. But we want people to think about just how important and complex automotive safety is. We want people to ask more questions about safety before they make their purchase decisions. We do not believe that is unfair.

Robert C. Austin
Manager-public relations
Volvo Cars of North America
Rockleigh, N.J.

Sauce for the gander

[*In reply to a letter-writer in the Nov. 18 issue who complained of a* Lear's *ad showing a ". . . salacious creature presumably naked and embraced from behind by a presumably naked and obviously much younger man":*]

The high-demographic female reader of *Lear's*, as shown in its advertising, enjoys young men in much the same way as high-income, over-35 males enjoy young women.

Frances Lear
Editor in chief, *Lear's*
New York

CORRECTIONS & CLARIFICATIONS

- All columns headed "1990" in the Global Media & Marketing chart (AA, Oct. 28, P. S-2) should have read "1991." Figures for circulation and ad page costs for 1991 were June numbers as noted in the methodology (P. S-13). The percentage change columns were for the corresponding midyear period in 1990. Under the chart's "Ad page costs" section, the column with heading, "1991 b&w/4-color" should have been "1992 projected b&w/4-color." The last column should have carried the title "Top worldwide advertisers."
- Asher/Gould, Los Angeles, is the agency that created the Suzuki corporate print ad reviewed by Lyle Wedemeyer (AA's *Creativity*, Dec. 2, P. 30C). Lord, Dentsu & Partners, Los Angeles, is the agency for Suzuki motorcycles.
- DDB Needham Worldwide's Washington office, not its New York headquarters, is the agency for *National Geographic* (AA, Nov. 25, P. 35).
- A caption misidentified William V. Weithas (AA, Nov. 18, P. S-10). He's vice chairman of Interpublic Group of Cos. □

New Dimensions In Power Selling

Dimensional, interactive paperboard products from American Slide-Chart will attract attention, deliver inquiries and increase your sales.

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1. Call us or fax this ad. We will help you determine what information is needed to create your free design.
2. A full color presentation will be developed showing your data on an interactive Slide-Chart or Pop-Up...
No cost or obligation!

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800-323-4433 (Outside IL)
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Company _____
Address _____
City, State, Zip _____
Fax _____ Telephone _____

AMERICAN Slide-Chart Corporation, P.O. Box 111, Wheaton IL 60189

Dan Rostenkowski
NEW REPUBLIC
Subscriber #69,737

Cable's ad allure strong despite some budget cuts

Brands feel recessionary pinch after run of double-digit hikes

By Joe Mandese

Top advertising brands aren't buying the rosy projections for cable growth—at least not according to their spending patterns for the first half of 1991.

While Cabletelevision Advertising Bureau projects total cable ad revenues will grow 19% this year to $3.023 billion, an *Advertising Age* analysis of the top 15 brands in six leading ad categories shows their spending dropped in aggregate by about 7% during the first six months of the year.

"Some categories have been especially hard hit by the recession," says John Hunt, VP-director of research of CAB. But he says there are a number of variables affecting the cable spending patterns of many of the top brands that may not be relevant to overall cable spending patterns.

"I don't see a need at this point to re-evaluate our projection," he adds.

Although some brands increased their cable spending significantly during the first half, three out of the five charted brands cut cable budgets from the same period last year.

While the recession may have had a role in some of the cuts, cable buyers contend the recession also may be driving the increases of brands that have boosted cable budgets.

"Cable is a way for national advertisers to get national exposure at a lower out-of-pocket cost. Sometimes they can't afford big broadcast network schedules," says Hal Zwick, exec VP-director of media services of Wunderman Worldwide, which buys cable TV for several of the medium's bigger advertisers, including *Sports Illustrated*.

While *SI* cut its budget about 15%, to $4.6 million, during the first half, Mr. Zwick says cable still represents a good media value for the magazine.

"Cable is able to target the customers of individual magazines and the [cost per thousand is] efficient. It brings in a low cost per order. And the value of the customers from cable TV is higher than it is from spot broadcast TV," he says.

Time Warner's Time-Life division finds "that cable provides us with higher quality customers, as opposed to conventional broadcast television," says Barry Rosen, director of broadcast media. "It's still an efficient medium for us."

Indeed, Time-Life's records and tapes increased cable spending 20% to $2.7 million during the first half of 1991, according to LNA/Arbitron Multi-Media Service data.

However, Time-Life books reduced its cable outlay 33% during the same period to $3.1 million.

Still, Mr. Rosen said cable continues to be an integral part of Time-Life's overall media strategy, which relies heavily on direct response.

"The cable networks are so highly targeted that if we have a series on history videos or nature videos, Discovery Channel works terrifically for us. We have a lot of music product and MTV works great for that. It enables us to target, it's efficient and the customers we get from cable perform better for us," says Mr. Rosen.

AT&T, another cable advertiser heavily dependent on direct response, is up about 49% in the first half, to $8.1 million. Linda Urben, manager of media advertising, says the brand's aggressive use of cable does not reflect a recessionary strategy.

"We didn't rethink our media plan on any given day for any given reason. We use the different vehicles for what they can do for us in their efficiencies as well as their environment.

"We are very programming specific, and there's a lot of good programming on cable," says Ms. Urben, referring to AT&T's sponsorship of CNN's "Science & Technology Today" segments, CNN business news updates and a variety of programming on Arts & Entertainment.

Similarly, Bob Bolte, director of media services of Clorox Co., says his brand's cable strategy is tied to program specific associations on such networks as Lifetime, Discovery Channel, TNT, Nick at Nite and VH-1.

He cites Clorox's sponsorship of "Growing Up Together" on Lifetime.

"It provides us with the ability to develop and place programming, which provides us with a compatible advertising environment along with solid cost-efficiencies and selective audience targets," he says.

While Clorox's spending is down 49% to $623,800 during the first half according to the LNA data, Mr. Bolte notes that data only reflect buys made on six cable networks: CNN, ESPN, Family Channel, MTV, WTBS and USA.

Programming has also been key to Subaru's cable strategy. Through the first half of 1991, Subaru increased its cable spending 19% to $1.3 million.

"Subaru tends to be fairly upscale in their use of cable, but we've been trying to broaden that," says Scot Butler, exec VP-media director of Subaru's agency Wieden & Kennedy, Cherry Hill, N.J.

"Within each network, we bought very selectively," explains Mr. Butler. "For example, on A&E, we bought 'The Best of David Letterman,' 'David Wolper Presents' and 'Night at the Improv.'

While Anheuser-Busch also has broadened its use of cable networks, it is still primarily focused on sports.

Indeed, with a four-year $100 million deal on ESPN, A-B is the biggest advertiser using cable TV.

Its Budweiser currently is the largest brand on cable TV, spending $17.3 million in 1990, according to LNA. Through the first half of 1991, Budweiser's cable spending was up 42% to $10.5 million.

While Michelob was down 78% to $512,400 and Busch was down 66% to $522,100 during the first half, those appear to be brand-specific strategies and do not reflect an A-B shift from cable.

"We're really just following the trends of where our viewership is going. And as that trend continues our cable budgets continue to grow," explains Tony Ponturo, A-B VP-corporate media and sports marketing.

"About 35% of the national TV audience is now no longer from the broadcast networks, so we're following the eyeballs as they go to cable and other alternatives," he adds.

While A-B's cable emphasis has been primarily sports programming on ESPN, WTBS, TNT and USA, it has recently begun to broaden it to include heavier use of MTV and VH-1 and Comedy Channel.

"In 1992, we're even looking at what Arts & Entertainment has to offer," says Mr. Ponturo, adding, "As the programming quality continues to grow, cable TV becomes more attractive."

While it is unlikely A-B's beer brands will expand beyond cable buys reaching the core audience of 21-to-34-year-old males, Mr. Ponturo says other A-B brands may soon be evaluating buys on such networks as Nickelodeon and USA.

"As Sea World develops and as Eagle Snacks develops, it's not out of the question that down the road, we wouldn't have a broader look in cable," says Mr. Ponturo. □

"We didn't rethink our media plan on any given day for any given reason. We use the different vehicles for what they can do for us in their efficiencies as well as their environment."

Linda Urben
AT&T

"About 35% of the national TV audience is now no longer from the broadcast networks, so we're following the eyeballs as they go to cable and other alternatives."

Tony Ponturo
Anheuser-Busch

Ad expenditures show the Persian Gulf War and the recession didn't keep half the top cable advertisers from boosting budgets. Dollars are in millions.

Advertiser	Total 1990	Jan.-June 1990	Jan.-June 1991
Budweiser beer	$17,273.0	$7,440.1	$10,533.7
AT&T Co.	14,494.2	5,443.7	8,090.6
Sports Illustrated	12,835.3	5,365.6	4,553.3
Levi's sportswear	12,671.6	4,701.9	4,495.6
Time-Life books	10,972.9	4,708.6	3,136.3
Wrigley gums	10,127.0	4,484.2	6,173.6
McDonald's restaurants	8,795.2	4,481.5	7,152.8
Nabisco cookies and crackers	8,183.0	4,175.2	3,207.6
Burger King restaurants	6,602.3	2,679.7	3,697.2
Time-Life video	6,125.4	3,597.5	2,659.4

Note: Measured networks include CNN, ESPN, Family Channel, MTV, WTBS and USA
Source: LNA/Arbitron Multi-Media Service

Advertising Age graph: John Hall

MEDIA MIX

Hearst titles map joint buy, mall tour

News briefs on electronic, print and alternative media.

Two sales are better than one. Hearst Corp.'s *Good Housekeeping* and *Popular Mechanics* will publish separate home improvement guides in their April issues but will sell the sections jointly to advertisers, offering a 5% discount to marketers buying space in both. *Popular Mechanics* also will join *Good Housekeeping's* All-American mall tour next year and the magazines may jointly publish a home improvement guide in 1993.

MEDIA WORKS

"We feel there's a lot of synergy between the two in this particular area," said *Good Housekeeping* Publisher Alan Waxenberg.

Ads power Nintendo title. *Nintendo Power*, a 1.2 million-circulation videogame magazine published by Nintendo of America, Redmond, Wash., will begin accepting paid ads with its January issue. The monthly, targeting 8-to-15-year-olds, won't accept ads for videogames, cigarettes or alcohol.

Dodge rocks with MTV. MTV: Music Television has signed Dodge as a major sponsor of MTV's "Don't drink and drive" campaign, MTV's first pro-social partnership with an auto advertiser. Dodge will sponsor MTV's "Spring Break '92" programming, including MTV coverage of Dodge's upcoming college program "The Dodge Rockin' Campus Bash," a battle of bands conducted on college campuses that begins in January. An MTV public service announcement running during Spring Break programming will carry Dodge's logo.

NYT Co. expands event marketing. NYT Event/Sports Marketing is the new name of the New York-based sports marketing arm of the Sports/Leisure Division of The New York Times Co. Magazine Group. Previously, it was named GD/T Sports Marketing. The name change more clearly identifies the division with its corporate parent and allows it to expand efforts to include all event marketing for the company's sports and women's magazines, as well as newspapers and broadcast properties.

A natural evolution. Times Mirror Magazines, New York, will unveil a redesign of *Outdoor Life* with its January issue. The logo will run across the cover as one line instead of being stacked; layout and design also will change. The monthly has a rate base of 1.5 million; ad rates are unchanged.

Outdoor Life's redesign includes a new logo.

Meredith shops retail distribution. Meredith Corp.'s Video Publishing unit will test a line of *Better Homes & Gardens* how-to tapes in Minneapolis grocery and retail stores. The 10-title line has been offered only through the magazine and direct response. Des Moines, Iowa-based Meredith says it has no immediate plans for advertising for the titles.

CNN prescription for Johnson & Johnson. Turner Broadcasting System's Cable News Network has signed Johnson & Johnson to advertise in all eight of its one-hour, year-in-review TV specials, scheduled to run Dec. 15-23, sources said. Johnson & Johnson is the only advertiser to buy all eight episodes, each covering a single theme —such as finance, sports, news, fashion and health—highlighting the most important developments in each category during the past year.

Seeing green. Magazine Publishers of America, American Society of Magazine Editors and Graphic Communications Association will host the industry's first recycling conference Jan. 22-23 at New York's Plaza Hotel. The conference is themed "Untangling the recycling web: A framework for magazines." For information, contact MPA or the editors society at (212) 752-0055.

VW drives to Family Channel. Volkswagen of America on Jan. 1 becomes the first import-auto marketer to advertise on cable's Family Channel. Volkswagen bought a year's schedule on the cable network "World Premiere Movie," and will be the exclusive automotive sponsor of the "World Premiere Movie" package that includes ads with sponsor identification in *TV Guide*. Volkswagen agency DDB Needham Worldwide, New York, made the buy for Volkswagen.

Murphy a syndie hit? Emmy-Award winning CBS series "Murphy Brown," which makes its debut in off-network syndication next fall, has been cleared in 102 markets, covering 87% of the U.S. The show is being distributed by Warner Bros. Domestic Television Distribution.

Armchair traveler. The Vacation Network, an ad-supported cable network, will make its debut Jan. 27 as a wholly owned subsidiary of Fishing Land, Amarillo, Texas. The network is expected to reach 10 million to 13 million households nationwide. □

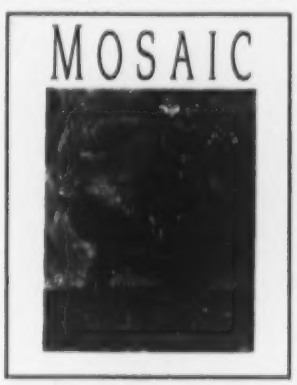
LAUNCHING PAD

New publication launches.

'Brides Today'

A. Sawyer Publications and H&S Publications introduce with a January issue *Brides Today*, a quarterly targeting black brides. Paid rate base is 100,000, with additional copies sent free to beauty salons and retailers. A b&w page is $3,000; a color page is $4,600. Andrew Sawyer is publisher, editor and ad director. Offices are at 3400 Dundee Road, Suite 230, Northbrook, Ill. 60062. Phone: (708) 498-0618.

'Mosaic'



A Mirich Publication introduces with a March issue *Mosaic*, an every-other-monthly targeting upscale Jewish consumers interested in the arts. Rate base and controlled circulation are 400,000. The magazine is free to donors of participating groups of the Council of Jewish Federations in the U.S. and Canada. A b&w page is $19,860; a color page is $26,475. Michael Schneider is publisher and editor; Jeffrey Dryfoos is ad director. Offices are at 45 W. 34th St., New York 10001. Phone: (212) 239-0855.

'Biotechnology Week'

Cahners Publishing Co. introduces with an April 13 issue *Biotechnology Week*, an every-other-weekly sent free to 30,000 research, science and management professionals at academic, commercial and government organizations. Publisher Robert L. Ziegel said circulation will eventually be converted to paid. A b&w page is $3,600; a color page is $4,575. Richard Krawiec is editor; Mr. Ziegel is ad director. Offices are at 275 Washington St., Newton, Mass., 02158-1630. Phone: (617) 964-3030.

'Megachine'

Megachine introduced with an October issue *Megachine*, a lifestyle monthly targeting Chinese-Americans. "The magazine is devoted to helping its readers to understand, progress in and enjoy the traditions of their homeland and the new world they have chosen," said Publisher Patrick Chu, president of Loiminchay Advertising, New York. Each edition is written in Chinese and English. Paid rate base is 30,000. A b&w page is $1,500; a color page is $3,200. Patrick Chu is publisher, Wincy Tfe is editor and Dale Chan is ad director. Offices are at 390 Broadway, New York 10013. Phone: (212) 941-7488.

'Medical Industry Executive'

Medical Industry Publications launches with a February/March issue *Medical Industry Executive*, an every-other-monthly for senior managers in medical manufacturing. Controlled circulation is 40,000. A b&w page is $4,695; a color page is $5,745. Ted Conrad is publisher, Elizabeth Porter is editor and Larry Jacobs is ad director. Offices are at 1190 Hightower Trail, Atlanta 30350. Phone: (404) 998-9797. □

NEW AD RATES

Automobile, New York: Rate base to 525,000, up 5%; b&w page to $25,670, color page to $36,670, both up 13%; b&w cost per thousand to $49, color CPM to $69.68, both up 8%. Effective: January issue.

Congressional Quarterly Weekly Report, Washington: Rate base unchanged at 10,012; b&w page to $6,400, color page to $8,840, both up 6%; b&w CPM to $63.93, color CPM to $88.29, both up 6%. Effective: Jan. 2 issue.

Golf, New York: Rate base to 1.125 million, up 2%; b&w page to $33,265, color page to $49,935, both up 8%; b&w CPM to $30, color CPM to $44.39, both up 6%. Effective: January issue.

Money, New York: Rate base unchanged at 1.8 million; b&w page to $49,705, color page to $77,110, both up 5%; b&w CPM to $27.61, color CPM to $42.83, both up 5%. Effective: January issue.

Smithsonian, New York: Rate base unchanged at 2.1 million; b&w page to $37,805, color page to $56,180, both up 6%; b&w CPM to $18, color CPM to $26.75, both up 6%. Effective: January issue.

Soap Opera Digest, New York: Rate base unchanged at 1.3 million; b&w page to $20,910, color page to $25,480, up 7%; b&w CPM to $16.08, color CPM to $18.32, up 7%. Effective: January issue.

Soap Opera Weekly, New York: Rate base unchanged at 500,000; b&w page to $6,070, color page to $7,490, both up 7%; b&w CPM to $12.14, color CPM to $14.98, both up 7%. Effective: Jan. 7 issue.

Sports Illustrated, New York: Rate base unchanged at 3.5 million; b&w page to $84,260, up 6.5%, color page to $127,600, up 5.5%; b&w CPM to $24.07, up 6.5%, color CPM to $36.46, up 5.5%. Effective: Jan. 12 issue.

Utne Reader, Minneapolis: Rate base to 260,000, up 8.3%; b&w page to $8,065, color page to $11,695, both up 13%; b&w CPM to $31.02, color CPM to $45, both up 4.6%. Effective: January/February issue. □

TRACKING SHARES

Survival of the fittest

The top-rated syndicated talk shows got even bigger during the November 1991 sweeps period at the expense of newcomers and less established talk shows. Figures are based on data from 24 metered markets.

The top nine syndicated talk shows	Ratings/share Nov. '90	Nov. '91	% chg in ratings
"Oprah Winfrey Show" (King World Productions)	10.3/27	11.4/30	11
"Donahue" (Multimedia Entertainment)	6.0/19	6.9/21	15
"Sally Jessy Raphael" (Multimedia Entertainment)	5.1/20	6.5/24	28
"Live With Regis & Kathie Lee" (Buena Vista)	3.7/15	4.7/19	27
"Geraldo" (Tribune Entertainment)	4.7/15	4.4/15	−6
"The Maury Povich Show" (Paramount)	NA	4.4/13	10*
"The Joan Rivers Show" (Tribune Entertainment)	3.1/11	2.8/12	−10
"The Chuck Woolery Show" (Group W)**	NA	2.1/9	−13*
"Jenny Jones Show" (Warner Bros.)	NA	1.9/8	−10*

*Newcomers are compared with the performance of programs in the same time period a year earlier. **Recently canceled.
Source: Nielsen Station Index

NEWSSTAND

Advertising opportunities in print.

Backpacker, Emmaus, Pa., "Gear heaven: annual buyer's guide" special edition, March/April issue; ad close: Dec. 19. B&w page: $9,880; color page: $13,625.

Runner's World, Emmaus, Pa., "Review of cross-training shoes" special editorial section, March issue; ad close: Dec. 20. B&w page: $17,800; color page: $26,525.

The Wall Street Journal, New York, "Yearend review of markets and finance" special editorial section, Jan. 2 issue; ad close: Dec. 20. B&w page: $110,627.

Prevention, Emmaus, Pa., "The healthwise consumer" special editorial section, March issue; ad close: Jan. 2. B&w page: $35,840; color page: $44,800.

Alaska Airlines Magazine, Seattle, "Great escapes: fall and winter getaways" special editorial section, March issue; ad close: Jan. 15. B&w page: $3,440; color page: $4,455.

Horizon Air Magazine, Seattle, "Northwest athletes" special editorial section, March issue; ad close: Jan. 15. B&w page: $2,695; color page: $3,450.

The New York Times Magazine and **Child**, New York, "Family travel" special supplement (AA, Dec. 2), April 12 issue of *The New York Times Magazine* and May issue of *Child*; ad close: Jan. 17. B&w page (combined): $30,790; color page (combined): $44,910.

Victoria, New York, "Great Britain" special edition, April issue; ad close: Jan. 20. B&w page: $21,245; color page: $32,670. □

Joe Mandese coordinates MediaWorks.